

EXECUTIVE SUMMARY SALARY ACT

HOUSE FILE 746

MAJOR INCREASES, DECREASES, OR TRANSFERS OF EXISTING PROGRAMS

- Provides a 3.0% salary increase for justices, judges, and magistrates for FY 2002. Increases are effective June 22, 2001. (Page 1, Line 1)
- Provides a 3.0% salary increase for the salary ranges of appointed officials for FY 2002, effective June 22, 2001. (Page 3, Line 2)
- Appropriates \$61.3 million from the General Fund to the Salary Adjustment Fund for FY 2002 for the negotiated bargaining agreements for contract-covered employees and noncontract employees. Section 21 of this Act also appropriates \$9.0 million to the Salary Adjustment Fund from the Unassigned Revenue Fund administered by the Iowa Underground Storage Tank Fund Board making a total of \$70.3 million available for funding salaries in FY 2002. (Page 6, Line 3)
- Provides a 3.0% across-the-board increase and merit step increases for noncontract employees of the State, excluding the Board of Regents, effective June 22, 2001. (Page 7, Line 22)
- Provides for increases to noncontract employees under the Board of Regents. (Page 8, Line 18)
- Appropriates Road Use Tax Fund (RUTF) and Primary Road Fund (PRF) moneys to pay salary increases for employees supported from these Funds. (Page 8, Line 32 and Page 9, Line 6)
- Specifies that sworn peace officers in the Department of Public Safety, not covered by a collective bargaining agreement, receive the same per diem meal allowance as covered sworn peace officers. (Page 10, Line 3)
- Funds the position of a salary model administrator-coordinator within the Department of Management. (Page 10, Line 10)
- Provides for an allocation of \$768,000 from the Salary Adjustment Fund for funding of overtime pay for the patient care bargaining units. (Page 10, Line 35)
- Establishes a \$2.00 surcharge on central State employees health insurance contracts. Up to \$600,000 collected from this surcharge can be used by the Department of Personnel to administer health insurance programs. (Page 11, Line 34)
- Establishes a Terminal Liability Health Insurance Fund to pay the expenses at the end of the current central State health insurance contract. Appropriates \$9.0 million to the Fund from the Unassigned Revenue Fund administered by the Iowa Underground Storage Tank Fund Board. Appropriates \$9.0 million to the Salary Adjustment Fund from the Unassigned Revenue Fund administered by the Iowa Underground Storage Tank Fund Board. (Page 14, Line 23 and Page 15, Line 22 through Page 15, Line 35)

SIGNIFICANT CHANGES TO THE CODE OF IOWA

EXECUTIVE SUMMARY SALARY ACT

HOUSE FILE 746

GOVERNOR'S VETOES

- The Governor vetoed language that restricted reimbursement from the terminal Liability Health Insurance Fund to the General Fund share contributed by each agency. The Governor stated the language places a cap on the amount of salary resources that will be dedicated to dealing with the terminal liability issue and that by not providing a mechanism to deal with the entire cost, State departments would have to come up with the balance of the needed funds. (Page 15, Line 1)
- The Governor vetoed language that would require that any remaining balance in the Terminal Liability Health Insurance Fund revert to the credit of the Unassigned Revenue Fund administered by the Iowa Comprehensive Underground Storage Tank Fund Board. The Governor stated that the Terminal Liability Health Insurance Fund contains resources for a variety of sources and that both federal and state prohibitions exist preventing such a transfer. (Page 15, Line 13)

ENACTMENT DATE

- This Act was approved by the General Assembly on May 8, 2001, and item vetoed and signed by the Governor on May 30, 2001.

House File 746

House File 746 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section	Description
12	33	18	Amends	Sec. 80.8	Longevity Pay for Peace Officers
14	23	20	Adds	Sec. 421.46(1)	Creates Terminal Liability Fund
15	1	20	Adds	Sec. 421.46(2)	Reimbursement from Terminal Liability Fund
15	13	20	Adds	Sec. 421.46(3)	Reversion of Terminal Liability Fund
15	22	21	Adds	Sec. 455G.3(6)	Underground Storage Tank Appropriation

1 1 Section 1. STATE COURTS — JUSTICES, JUDGES, AND
1 2 MAGISTRATES.

Sets the FY 2002 salary rates for judicial positions.

1 3 1. The salary rates specified in subsection 2 are for the
1 4 fiscal year beginning July 1, 2001, effective for the pay
1 5 period beginning June 22, 2001, and for subsequent fiscal
1 6 years until otherwise provided by the general assembly. The
1 7 salaries provided for in this section shall be paid from funds
1 8 appropriated to the judicial branch from the salary adjustment
1 9 fund pursuant to section 9 of this Act or if the appropriation
1 10 is not sufficient, from the funds appropriated to the judicial
1 11 branch pursuant to any Act of the general assembly.

DETAIL: Provides a 3.00% salary increase on June 22, 2001, for justices, judges, and magistrates.

1 12 2. The following annual salary rates shall be paid to the
1 13 persons holding the judicial positions indicated during the
1 14 fiscal year beginning July 1, 2001, effective with the pay
1 15 period beginning June 22, 2001, and for subsequent pay
1 16 periods.

1 17 a. Chief justice of the supreme court:

1 18 \$ 120,920

1 19 b. Each justice of the supreme court:

1 20 \$ 116,600

1 21 c. Chief judge of the court of appeals:

1 22 \$ 116,490

1 23 d. Each associate judge of the court of appeals:

1 24 \$ 112,170

1 25 e. Each chief judge of a judicial district:

1 26 \$ 111,140

1 27 f. Each district judge except the chief judge of a
1 28 judicial district:

1 29 \$ 106,610

1 30 g. Each district associate judge:

1 31 \$ 92,910

1 32 h. Each associate juvenile judge:

1 33 \$ 92,910

1 34 i. Each associate probate judge:

1 35 \$ 92,910

2 1 j. Each judicial magistrate:

2 2 \$ 27,700

2 3 k. Each senior judge:
2 4 \$ 6,180

2 5 Sec. 2. SALARY RATE LIMITS. Persons receiving the salary
2 6 rates established under section 1 of this Act shall not
2 7 receive any additional salary adjustments provided by this
2 8 Act.

Prohibits judicial positions from receiving any additional salary adjustments under this Act.

2 9 Sec. 3. APPOINTED STATE OFFICERS. The governor shall
2 10 establish a salary for appointed nonelected persons in the
2 11 executive branch of state government holding a position
2 12 enumerated in section 4 of this Act within the range provided,
2 13 by considering, among other items, the experience of the
2 14 individual in the position, changes in the duties of the
2 15 position, the incumbent's performance of assigned duties, and
2 16 subordinates' salaries. However, the attorney general shall
2 17 establish the salary for the consumer advocate, the chief
2 18 justice of the supreme court shall establish the salary for
2 19 the state court administrator, the ethics and campaign
2 20 disclosure board shall establish the salary of the executive
2 21 director, and the state fair board shall establish the salary
2 22 of the secretary of the state fair board, each within the
2 23 salary range provided in section 4 of this Act.
2 24 The governor, in establishing salaries as provided in
2 25 section 4 of this Act, shall take into consideration other
2 26 employee benefits which may be provided for an individual
2 27 including, but not limited to, housing.

Requires the Governor to set the salary for most nonelected State officials within the ranges authorized in Section 4. The salaries for the State Court Administrator, Consumer Advocate, the Executive Director of the Ethics and Campaign Disclosure Board, and Secretary of the State Fair Board are set by the appropriate directors or boards.

2 28 A person whose salary is established pursuant to section 4
2 29 of this Act and who is a full-time, year-round employee of the
2 30 state shall not receive any other remuneration from the state
2 31 or from any other source for the performance of that person's
2 32 duties unless the additional remuneration is first approved by
2 33 the governor or authorized by law. However, this provision
2 34 does not exclude the reimbursement for necessary travel and
2 35 expenses incurred in the performance of duties or fringe
3 1 benefits normally provided to employees of the state.

Prohibits appointed nonelected State officials from receiving other State remuneration unless authorized by the Governor or by law. This does not apply to travel or expense reimbursements or fringe benefits.

3 2 Sec. 4. STATE OFFICERS — SALARY RATES AND RANGES. The
 3 3 following annual salary ranges are effective for the positions
 3 4 specified in this section for the fiscal year beginning July
 3 5 1, 2001, and for subsequent fiscal years until otherwise
 3 6 provided by the general assembly. The governor or other
 3 7 person designated in section 3 of this Act shall determine the
 3 8 salary to be paid to the person indicated at a rate within the
 3 9 salary ranges indicated from funds appropriated by the general
 3 10 assembly for that purpose.

Provides that salary ranges for appointed nonelected officials are effective for FY 2002.

3 11 1. The following are salary ranges 1 through 5 for the
 3 12 fiscal year beginning July 1, 2001, effective with the pay
 3 13 period beginning June 22, 2001:

Sets the salary rates and ranges for State officials and specifies that the ranges are effective with the pay period beginning June 22, 2001.

3 14 SALARY RANGES	<u>Minimum</u>	<u>Maximum</u>
3 15 a. Range 1	\$ 8,800	\$29,870
3 16 b. Range 2	\$32,200	\$60,255
3 17 c. Range 3	\$44,100	\$70,246
3 18 d. Range 4	\$53,100	\$80,340
3 19 e. Range 5	\$62,400	\$90,434

DETAIL: The salary ranges are increased by 3.00% from the base FY 2001 salary. All State officials are placed within the same range as FY 2001 with three exceptions; the Administrator of Public Broadcasting moves from Range 5 to Range 8, the Commandant of the Veterans Home moves from Range 5 to Range 8, and the Director of Revenue and Finance moves from Range 8 to Range 9. Two directors have been added to Range 9; the Director of the Information Technology Department and the Executive Director of the Iowa Communications and Technology Commission.

3 20 2. The following are range 1 positions: There are no
 3 21 range 1 positions for the fiscal year beginning July 1, 2001.

3 22 3. The following are range 2 positions: administrator of
 3 23 the arts division of the department of cultural affairs,
 3 24 administrators of the division of persons with disabilities,
 3 25 the division on the status of women, the division on the
 3 26 status of African-Americans, the division of deaf services,
 3 27 and the division of Latino affairs of the department of human
 3 28 rights, and administrator of the division of professional
 3 29 licensing and regulation of the department of commerce.

3 30 4. The following are range 3 positions: administrator of
 3 31 the division of emergency management of the department of
 3 32 public defense, administrator of the division of criminal and
 3 33 juvenile justice planning of the department of human rights,
 3 34 administrator of the division of community action agencies of
 3 35 the department of human rights, executive director of the
 4 1 commission of veterans affairs, and chairperson and members of
 4 2 the employment appeal board of the department of inspections

4 3 and appeals.

4 4 5. The following are range 4 positions: superintendent of
4 5 banking, superintendent of credit unions, and chairperson,
4 6 vice chairperson, and members of the board of parole.

4 7 6. The following are range 5 positions: consumer
4 8 advocate, state public defender, drug policy coordinator,
4 9 labor commissioner, workers' compensation commissioner,
4 10 administrator of the alcohol beverages division of the
4 11 department of commerce, and administrator of the historical
4 12 division of the department of cultural affairs.

4 13 7. The following are salary ranges 6 through 9 for the
4 14 fiscal year beginning July 1, 2001, effective with the pay
4 15 period beginning June 22, 2001:

4 16 SALARY RANGES	<u>Minimum</u>	<u>Maximum</u>
4 17 a. Range 6	\$ 48,200	\$ 80,340
4 18 b. Range 7	\$ 66,000	\$ 91,155
4 19 c. Range 8	\$ 70,800	\$105,781
4 20 d. Range 9	\$ 79,000	\$126,175

4 21 8. The following are range 6 positions: director of the
4 22 department of human rights, director of the Iowa state civil
4 23 rights commission, executive director of the college student
4 24 aid commission, director of the department for the blind, and
4 25 executive director of the ethics and campaign disclosure
4 26 board.

4 27 9. The following are range 7 positions: director of the
4 28 department of cultural affairs, director of the department of
4 29 elder affairs, and director of the law enforcement academy.

4 30 10. The following are range 8 positions: the
4 31 administrator of the state racing and gaming commission of the
4 32 department of inspections and appeals, director of the
4 33 department of inspections and appeals, commandant of the
4 34 veterans home, director of the department of general services,
4 35 director of the department of personnel, administrator of the
5 1 public broadcasting division of the department of education,
5 2 commissioner of public safety, commissioner of insurance,
5 3 executive director of the Iowa finance authority, director of
5 4 the department of natural resources, director of the

5 5 department of corrections, and chairperson of the utilities
 5 6 board. The other members of the utilities board shall receive
 5 7 an annual salary within a range of not less than 90 percent
 5 8 but not more than 95 percent of the annual salary of the
 5 9 chairperson of the utilities board.

5 10 11. The following are range 9 positions: director of the
 5 11 department of education, director of human services, director
 5 12 of the department of economic development, director of the
 5 13 information technology department, executive director of the
 5 14 Iowa communications and technology commission, executive
 5 15 director of the state board of regents, director of the state
 5 16 department of transportation, director of the department of
 5 17 workforce development, director of revenue and finance,
 5 18 lottery commissioner, director of public health, the state
 5 19 court administrator, secretary of the state fair board, and
 5 20 the director of the department of management.

5 21 Sec. 5. PUBLIC EMPLOYMENT RELATIONS BOARD.

5 22 1. The salary rates specified in this section are
 5 23 effective for the fiscal year beginning July 1, 2001, with the
 5 24 pay period beginning June 22, 2001, and for subsequent fiscal
 5 25 years until otherwise provided by the general assembly. The
 5 26 salaries provided for in this section shall be paid from funds
 5 27 appropriated to the public employment relations board from the
 5 28 salary adjustment fund, or if the appropriation is not
 5 29 sufficient from funds appropriated to the public employment
 5 30 relations board pursuant to any other Act of the general
 5 31 assembly.

5 32 2. The following annual salary rates shall be paid to the
 5 33 persons holding the positions indicated:

5 34 a. Chairperson of the public employment relations board:

5 35 \$ 70,761

6 1 b. Two members of the public employment relations board:

6 2 \$ 65,920

Sets the salary rates for the Chairperson of the Public Employment Relations Board and the two members of the Public Employment Relations Board.

DETAIL: Provides a 3.00% increase beginning June 22, 2001, from the base FY 2001 salary.

6 3 Sec. 6. COLLECTIVE BARGAINING AGREEMENTS FUNDED —
6 4 GENERAL

6 5 FUND. There is appropriated from the general fund of the
6 6 state to the salary adjustment fund for distribution by the
6 7 department of management to the various state departments,
6 8 boards, commissions, councils, and agencies, including the
6 9 state board of regents, for the fiscal year beginning July 1,
6 10 2001, and ending June 30, 2002, the amount of \$61,270,200, or
6 11 so much thereof as may be necessary, to fully fund the
6 12 following annual pay adjustments, expense reimbursements, and
6 13 related benefits:

- 6 14 1. The collective bargaining agreement negotiated pursuant
6 15 to chapter 20 for employees in the blue collar bargaining
6 16 unit.
- 6 17 2. The collective bargaining agreement negotiated pursuant
6 18 to chapter 20 for employees in the public safety bargaining
6 19 unit.
- 6 20 3. The collective bargaining agreement negotiated pursuant
6 21 to chapter 20 for employees in the security bargaining unit.
- 6 22 4. The collective bargaining agreement negotiated pursuant
6 23 to chapter 20 for employees in the technical bargaining unit.
- 6 24 5. The collective bargaining agreement negotiated pursuant
6 25 to chapter 20 for employees in the professional fiscal and
6 26 staff bargaining unit.
- 6 27 6. The collective bargaining agreement negotiated pursuant
6 28 to chapter 20 for employees in the university of northern iowa
6 29 faculty bargaining unit.
- 6 30 7. The collective bargaining agreement negotiated pursuant
6 31 to chapter 20 for employees in the clerical bargaining unit.
- 6 32 8. The collective bargaining agreement negotiated pursuant
6 33 to chapter 20 for employees in the professional social
6 34 services bargaining unit.
- 6 35 9. The collective bargaining agreement negotiated pursuant
7 1 to chapter 20 for employees in the community-based corrections
7 2 bargaining unit.
- 7 3 10. The collective bargaining agreement negotiated

General Fund appropriation to the Salary Adjustment Fund of \$61,270,200 for FY 2002 to be distributed by the Department of Management (DOM) to the various State departments, boards, commissions, councils, and agencies to pay salary increases negotiated by the bargaining units as listed. Section 21 of this Act appropriates an additional \$9,000,000 to the Salary Adjustment Fund from the Unassigned Revenue Fund administered by the Iowa Underground Storage Tank Fund Board.

DETAIL: The appropriation funds the collective bargaining agreements for contract-covered employees in all collective bargaining units. These include:

1. American Federation of State, County, and Municipal Employees (AFSCME) - 3.00% across-the-board salary increase on June 22, 2001; continuation of merit step increases for employees who are not on the top step of the pay range.
2. Iowa United Professionals (IUP) - 3.00% across-the-board salary increase on June 22, 2001; continuation of merit step increases for employees who are not on the top step of the pay range.
3. United Faculty of Iowa (UFI) - 5.60% average pay increase on July 1, 2001.
4. State Police Officer's Council (SPOC) - 3.00% across-the-board salary increase on June 22, 2001; continuation of merit step increases for employees who are not on the top step of the pay range.
5. Public, Professional, and Maintenance Employees (PPME) - 2.00% across-the-board salary increase on July 1, 2001, and a 2.00% increase January 1, 2002; continuation of merit step increases for employees who are not on the top step of the pay range.
6. Campaign to Organize Graduate Students (COGS) - 4.00% average pay increase on July 1, 2001.
7. Tertiary Health Care at the University of Iowa - 6.60% average pay increase on July 1, 2001.

7 3 pursuant to chapter 20 for employees in the judicial branch of
7 4 government bargaining unit.

7 5 11. The collective bargaining agreement negotiated
7 6 pursuant to chapter 20 for employees in the patient care
7 7 bargaining unit.

7 8 12. The collective bargaining agreement negotiated
7 9 pursuant to chapter 20 for employees in the science bargaining
7 10 unit.

7 11 13. The collective bargaining agreement negotiated
7 12 pursuant to chapter 20 for employees in the state university
7 13 of Iowa graduate student bargaining unit.

7 14 14. The collective bargaining agreement negotiated
7 15 pursuant to chapter 20 for employees in the state university
7 16 of Iowa hospital and clinics tertiary health care bargaining
7 17 unit.

7 18 15. The annual pay adjustments, related benefits, and
7 19 expense reimbursements referred to in sections 7 and 8 of this
7 20 Act for employees not covered by a collective bargaining
7 21 agreement.

7 22 Sec. 7. NONCONTRACT STATE EMPLOYEES — GENERAL.

7 23 1. a. For the fiscal year beginning July 1, 2001, the
7 24 maximum salary levels of all pay plans provided for in section
7 25 19A.9, subsection 2, as they exist for the fiscal year ending
7 26 June 30, 2001, shall be increased by 3 percent for the pay
7 27 period beginning June 22, 2001, and any additional changes in
7 28 the pay plans shall be approved by the governor.

7 29 b. For the fiscal year beginning July 1, 2001, employees
7 30 may receive a step increase or the equivalent of a step
7 31 increase.

7 32 2. The pay plans for state employees who are exempt from
7 33 chapter 19A and who are included in the department of revenue
7 34 and finance's centralized payroll system shall be increased in
7 35 the same manner as provided in subsection 1, and any
8 1 additional changes in any executive branch pay plans shall be
8 2 approved by the governor.

Provides noncontract State employees with a 3.00% across-the-board salary increase on June 22, 2001, and continuation of merit step increases for employees who are not on the top step of the pay range.

8 3 3. This section does not apply to members of the general
 8 4 assembly, board members, commission members, salaries of
 8 5 persons set by the general assembly pursuant to this Act or
 8 6 set by the governor, other persons designated in section 3 of
 8 7 this Act, employees designated under section 19A.3, subsection
 8 8 5, and employees covered by 581 IAC 4.6(3).

8 9 4. The pay plans for the bargaining eligible employees of
 8 10 the state shall be increased in the same manner as provided in
 8 11 subsection 1, and any additional changes in such executive
 8 12 branch pay plans shall be approved by the governor. As used
 8 13 in this section, "bargaining eligible employee" means an
 8 14 employee who is eligible to organize under chapter 20, but has
 8 15 not done so.

8 16 5. The policies for implementation of this section shall
 8 17 be approved by the governor.

8 18 Sec. 8. STATE EMPLOYEES — STATE BOARD OF REGENTS. Funds
 8 19 from the appropriation in section 6 of this Act shall be
 8 20 allocated to the state board of regents for the purposes of
 8 21 providing increases for state board of regents employees
 8 22 covered by section 6 of this Act and for employees not covered
 8 23 by a collective bargaining agreement as follows:

8 24 1. For regents merit system employees and merit
 8 25 supervisory employees to fund for the fiscal year, increases
 8 26 comparable to those provided for similar contract-covered
 8 27 employees in this Act.

8 28 2. For faculty members and professional and scientific
 8 29 employees to fund for the fiscal year, percentage increases
 8 30 comparable to those provided for contract-covered employees in
 8 31 section 6, subsection 6, of this Act.

8 32 Sec. 9. APPROPRIATIONS FROM ROAD FUNDS.

8 33 1. There is appropriated from the road use tax fund to the
 8 34 salary adjustment fund for the fiscal year beginning July 1,
 8 35 2001, and ending June 30, 2002, the following amount, or so
 9 1 much thereof as may be necessary, to be used for the purpose

Specifies that noncontract State employee increases do not apply to:

1. Members of the General Assembly.
2. Board or commission members.
3. Salaries set by the General Assembly.
4. Salaries set by the Governor.
5. Employees under Section 19A.3(5), Code of Iowa (presidents, deans, directors, teachers, professional and scientific personnel, and student employees of the Board of Regents).
6. Employees of the Board of Regents (except Board Office employees).
7. Employees who exceed the pay for the top of the range.

Requires the Governor to approve the policies for implementation of this Section.

Allocates a portion of the \$61,770,200 appropriated in Section 6 of this Act to the Board of Regents for contract and noncontract employee salary increases.

DETAIL: Board of Regents merit system employees receive increases comparable to other contract-covered employees.

Road Use Tax Fund appropriation to the Salary Adjustment Fund.

9 2 designated:
9 3 To supplement other funds appropriated by the general
9 4 assembly:
9 5 \$ 3,122,527

9 6 2. There is appropriated from the primary road fund to the
9 7 salary adjustment fund, for the fiscal year beginning July 1,
9 8 2001, and ending June 30, 2002, the following amount, or so
9 9 much thereof as may be necessary, to be used for the purpose
9 10 designated:
9 11 To supplement other funds appropriated by the general
9 12 assembly:
9 13 \$ 10,305,191

Primary Road Fund appropriation to the Salary Adjustment Fund.

9 14 3. Except as otherwise provided in this Act, the amounts
9 15 appropriated in subsections 1 and 2 shall be used to fund the
9 16 annual pay adjustments, expense reimbursements, and related
9 17 benefits for public employees as provided in this Act.

Requires appropriations from the Road Use Tax Fund and the Primary Road Fund to be used as provided in this Act.

9 18 Sec. 10. SPECIAL FUNDS — AUTHORIZATION. To departmental
9 19 revolving, trust, or special funds, except for the primary
9 20 road fund or the road use tax fund, for which the general
9 21 assembly has established an operating budget, a supplemental
9 22 expenditure authorization is provided, unless otherwise
9 23 provided, in an amount necessary to fund salary adjustments as
9 24 otherwise provided in this Act.

Provides supplemental expenditure authorization for revolving trust funds or other special funds, except the Road Use Tax Fund and the Primary Road Fund, to be used to fund salary adjustments.

9 25 Sec. 11. GENERAL FUND SALARY MONEYS. Funds appropriated
9 26 from the general fund of the state in this Act relate only to
9 27 salaries supported from general fund appropriations of the
9 28 state except for employees of the state board of regents. The
9 29 funds appropriated from the general fund of the state for
9 30 employees of the state board of regents shall exclude general
9 31 university indirect costs and general university federal
9 32 funds.

Requires that the General Fund appropriation made in this Act be used only to support salaries funded from the General Fund.

9 33 Sec. 12. FEDERAL FUNDS APPROPRIATED. All federal grants
9 34 to and the federal receipts of the agencies affected by this
9 35 Act which are received and may be expended for purposes of
10 1 this Act are appropriated for those purposes and as set forth
10 2 in the federal grants or receipts.

Requires eligible federal funds received to be expended for salary adjustments where appropriate.

10 3 Sec. 13. STATE TROOPER MEAL ALLOWANCE. The sworn peace
10 4 officers in the department of public safety who are not
10 5 covered by a collective bargaining agreement negotiated
10 6 pursuant to chapter 20 shall receive the same per diem meal
10 7 allowance as the sworn peace officers in the department of
10 8 public safety who are covered by a collective bargaining
10 9 agreement negotiated pursuant to chapter 20.

Specifies that sworn peace officers in the Department of Public Safety, not covered by a collective bargaining agreement, receive the same per diem meal allowance as covered sworn peace officers.

10 10 Sec. 14. SALARY MODEL COORDINATOR. Of the funds
10 11 appropriated by section 6 of this Act, \$133,800 for the fiscal
10 12 year beginning July 1, 2001, is allocated to the department of
10 13 management for salary and support of the salary model
10 14 coordinator who shall work in conjunction with the legislative
10 15 fiscal bureau to maintain the state's salary model used for
10 16 analyzing, comparing, and projecting state employee salary and
10 17 benefit information, including information relating to
10 18 employees of the state board of regents. The department of
10 19 revenue and finance, the department of personnel, the five
10 20 institutions under the jurisdiction of the state board of
10 21 regents, the eight judicial district departments of
10 22 correctional services, and the state department of
10 23 transportation shall provide salary data to the department of
10 24 management and the legislative fiscal bureau to operate the
10 25 state's salary model. The format and frequency of provision
10 26 of the salary data shall be determined by the department of
10 27 management and the legislative fiscal bureau. The information
10 28 shall be used in collective bargaining processes under chapter
10 29 20 and in calculating the funding needs contained within the
10 30 annual salary adjustment legislation. A state employee
10 31 organization as defined in section 20.3, subsection 4, may

Allocates \$133,800 to the Department of Management for the costs of a salary model administrator. Requires the administrator-coordinator to work in conjunction with the Legislative Fiscal Bureau in maintaining the State's salary model. Requires the following departments or entities to provide salary data to the Department of Management and the Legislative Fiscal Bureau:

1. Revenue and Finance
2. Personnel
3. Five institutions of the Board of Regents
4. Eight judicial districts departments of correctional services (CBC's)
5. Department of Transportation

Specifies that a State employee organization may request information produced by the model, but the information provided shall not be individually identifiable.

10 32 request information produced by the model, but the information
10 33 provided shall not contain information attributable to
10 34 individual employees.

10 35 Sec. 15. PATIENT CARE BARGAINING UNIT — OVERTIME.

11 1 1. Of the funds appropriated in section 6 of this Act, the
11 2 following amount, or so much thereof as is necessary, shall be
11 3 allocated to the department of revenue and finance for the
11 4 fiscal year beginning July 1, 2001, and ending June 30, 2002,
11 5 to be used for the purpose designated:

11 6 To reimburse state agencies for expenditures related to the
11 7 payment of overtime to state employees covered under the
11 8 patient care bargaining unit:

11 9 \$ 768,000

11 10 2. The department of revenue and finance shall provide
11 11 guidelines and forms for documentation that a state agency
11 12 shall submit for the overtime reimbursement provided for in
11 13 subsection 1. The reimbursement shall be restricted to the
11 14 amount of moneys appropriated from the general fund of the
11 15 state that is used to pay overtime of state employees covered
11 16 under the patient care bargaining unit for the fiscal year
11 17 beginning July 1, 2001, and ending June 30, 2002.

11 18 Sec. 16. HEALTH INSURANCE INCENTIVE PROGRAMS. For the
11 19 fiscal year beginning July 1, 2001, and ending June 30, 2002,
11 20 the department of revenue and finance shall administer the
11 21 health insurance incentive programs as contained in the
11 22 collective bargaining agreements. The incentive payment shall
11 23 be distributed in the paycheck of an eligible state employee
11 24 if the employee is employed by a central state agency. Each
11 25 judicial district department of correctional services and the
11 26 state board of regents shall provide monthly to the department
11 27 of revenue and finance a list of their employee counts by
11 28 benefit plan that qualify for the incentive and the amount of
11 29 the incentive due. The judicial district department of
11 30 correctional services and the state board of regents shall
11 31 include the amount of the incentive payment to their eligible

Provides for the allocation of funds from the Salary Adjustment Fund for the payment of overtime to the AFSCME patient care bargaining units. Requires the Department of Revenue and Finance to provide guidelines to State agencies for overtime reimbursement. Limits total reimbursement to the amount appropriated from the General Fund.

DETAIL: The payment of overtime is required by the contract. The specific use of overtime by appropriation is unknown. This creates a pool of funds, which can be used for overtime when it occurs.

Requires the Department of Revenue and Finance (DRF) to administer the Health Insurance Incentive Programs for FY 2002.

DETAIL: The current contracts make provisions for monetary incentives for employees to switch to less expensive health insurance plans. These plans are to be administered by the DRF.

11 32 employees' paychecks as soon as the payment is
11 33 administratively practical.

11 34 Sec. 17. STATE EMPLOYEE BENEFIT PROGRAMS —
ADMINISTRATIVE

11 35 COSTS.

12 1 1. For the fiscal year beginning July 1, 2001, and ending
12 2 June 30, 2002, the department of personnel shall include a
12 3 monthly administration charge of \$2.00 per contract on all
12 4 health insurance plans administered by the department. This
12 5 is an administration fee attributable only to the employer
12 6 share for those employees who are eligible for the state share
12 7 of insurance. If the contract holder is without a state
12 8 employer to pay the fee, the contract holder shall not be
12 9 assessed the fee of \$2.00 per month.

12 10 2. For the fiscal year beginning July 1, 2001, and ending
12 11 June 30, 2002, the state board of regents, all regional
12 12 libraries, the state fair board, the department of
12 13 transportation, and the eight judicial district departments of
12 14 correctional services shall report and remit the
12 15 administration charge on a monthly basis to the department of
12 16 revenue and finance. The report shall contain the number and
12 17 type of health insurance contracts held by each of its
12 18 employees whose health insurance is administered by the
12 19 department of personnel.

12 20 3. A health insurance administration fund is created in
12 21 the state treasury. The proceeds of the monthly
12 22 administration charge shall be remitted to the health
12 23 insurance administration fund. The department of revenue and
12 24 finance shall collect from each department on centralized
12 25 payroll the administration charge each month and shall remit
12 26 the amount to the health insurance administration fund. The
12 27 department of personnel may expend no more than \$600,000 from
12 28 the health insurance administration fund for the fiscal year
12 29 beginning July 1, 2001, and ending June 30, 2002. Any
12 30 unencumbered or unobligated balance in the health insurance
12 31 administration fund at the end of the fiscal year shall be

Establishes a \$2.00 per month administrative surcharge fee for each central health insurance contract to be deposited into a Health Insurance Administration Fund.

DETAIL: The employer pays the surcharge fee. The Department of Personnel is authorized to expend \$600,000 from the funds generated for the administration of health insurance programs.

FISCAL IMPACT: It is estimated that the administrative fee will generate \$600,000.

12 32 transferred to the health insurance surplus fund.

12 33 Sec. 18. Section 80.8, unnumbered paragraphs 2 and 3, Code
12 34 2001, are amended to read as follows:

12 35 The commissioner may delegate to the ~~members of the Iowa~~
13 1 ~~state patrol~~ peace officers of the department such additional
13 2 duties in the enforcement of this chapter as the commissioner
13 3 may deem proper and incidental to the duties now imposed upon
13 4 them by law.

13 5 The salaries of all members and employees of the department
13 6 and the expenses of the department shall be provided for by
13 7 the legislative appropriation therefor. The compensation of
13 8 ~~the members of the Iowa state patrol~~ peace officers of the
13 9 department shall be fixed according to grades as to rank and
13 10 length of service by the commissioner with the approval of the
13 11 governor. The ~~members of the Iowa state patrol~~ peace officers
13 12 shall be paid additional compensation in accordance with the
13 13 following formula: When ~~members of the Iowa state patrol~~
13 14 peace officers have served for a period of five years their
13 15 compensation then being paid shall be increased by the sum of
13 16 twenty-five dollars per month beginning with the month
13 17 succeeding the foregoing described five-year period; when
13 18 ~~members thereof~~ peace officers have served for a period of ten
13 19 years their compensation then being paid shall be increased by
13 20 the sum of twenty-five dollars per month beginning with the
13 21 month succeeding the foregoing described ten-year period, such
13 22 sums being in addition to the increase provided herein to be
13 23 paid after five years of service; when ~~members thereof~~ peace
13 24 officers have served for a period of fifteen years their
13 25 compensation then being paid shall be increased by the sum of
13 26 twenty-five dollars per month beginning with the month
13 27 succeeding the foregoing described fifteen-year period, such
13 28 sums being in addition to the increases previously provided
13 29 for herein; when ~~members thereof~~ peace officers have served
13 30 for a period of twenty years their compensation then being
13 31 paid shall be increased by the sum of twenty-five dollars per
13 32 month beginning with the month succeeding the foregoing

CODE: Expands those eligible for longevity pay from just members of the Iowa State Patrol to all peace officers of the Department of Public Safety.

13 33 described twenty-year period, such sums being in addition to
13 34 the increases previously provided for herein. While on active
13 35 duty each ~~member~~ peace officer shall also receive a flat daily
14 1 sum as fixed by the commissioner with the approval of the
14 2 governor for meals ~~while away from the office to which the~~
14 3 ~~member has been assigned and within the member's district.~~

14 4 Sec. 19. TERMINAL LIABILITY HEALTH INSURANCE SURCHARGE.
14 5 For the fiscal year beginning July 1, 2001, and ending June
14 6 30, 2002, the department of personnel shall include in the
14 7 rates for the Wellmark Blue Cross/Blue Shield Program 3 Plus,
14 8 Wellmark Blue Cross/Blue Shield Program 3 plus with a
14 9 comprehensive major medical overlay, and Iowa Select Preferred
14 10 Provider Organization health insurance plans a surcharge, as
14 11 determined by the department of management, on only the
14 12 employer's share of the health insurance premium cost to fund
14 13 the state's share of the terminal liability of the existing
14 14 Wellmark health insurance contract. The department of revenue
14 15 and finance shall collect the surcharge from state agencies,
14 16 the state fair board, state board of regents, and the eight
14 17 judicial district departments of correctional services. The
14 18 proceeds of the surcharge shall be credited to the terminal
14 19 liability insurance fund. The health insurance plans provided
14 20 to state employees covered by the state police officers
14 21 council collective bargaining agreement are exempt from the
14 22 surcharge provided in this section.

Authorizes the Department of Personnel to establish a surcharge to fund the terminal health insurance liability. This surcharge would be paid from all sources of funds.

14 23 Sec. 20. NEW SECTION. 421.46 TERMINAL LIABILITY HEALTH
14 24 INSURANCE FUND.
14 25 1. A terminal liability health insurance fund is created
14 26 in the state treasury under the control of the department of
14 27 personnel. The proceeds of the terminal liability health
14 28 insurance fund shall be used by the department of personnel to
14 29 pay the state's share of the terminal liability of the
14 30 existing health insurance contract administered by the
14 31 department of personnel. The moneys appropriated to the
14 32 terminal liability health insurance fund plus any additional

CODE: Establishes a Terminal Liability Health Insurance Fund to be used to pay the costs that will occur upon termination of the current central State contract for health insurance.

DETAIL: The surcharge created in Section 19 of this Act is required to be deposited into this Fund. In addition, Section 21 of this Act appropriates \$9,000,000 to the Fund. The \$9,000,000 is to be used to reimburse agencies for the cost of the surcharge.

14 33 moneys appropriated or collected pursuant to this Act or other
14 34 Acts of the general assembly shall constitute the total amount
14 35 due to pay the terminal liability specified in this section.

15 1 2. The proceeds of the terminal liability health insurance
15 2 fund shall also be used by the department of revenue and
15 3 finance to reimburse state agencies for expenditures related
15 4 to the payment of the health insurance plans surcharge for the
15 5 terminal liability of the health insurance contract for state
15 6 employees. The department of revenue and finance shall
15 7 provide guidelines and forms for documentation that a state
15 8 agency shall submit for the health insurance reimbursement.
15 9 [The reimbursement shall be restricted to the amount of moneys
15 10 appropriated from the general fund of the state that is used
15 11 to pay the terminal liability of health insurance for state
15 12 employees for the fiscal year.]

VETOED

CODE: Requires the Health Insurance Terminal Liability Fund to be used to reimburse agencies for the General Fund cost of paying the terminal liability surcharge.

VETOED: The Governor vetoed the final sentence of this Subsection eliminating the requirement that the Fund reimburse only General Fund expenditures.

15 13 3. Notwithstanding section 8.33, any unencumbered or
15 14 unobligated balance remaining in the terminal liability health
15 15 insurance fund at the close of a fiscal year shall not revert.
15 16 [However, upon total payment of the terminal liability of the
15 17 existing health insurance contract administered by the
15 18 department of personnel, any remaining balance in the terminal
15 19 liability health insurance fund shall revert to the credit of
15 20 the unassigned revenue fund administered by the Iowa
15 21 comprehensive underground storage tank fund board.]

VETOED

CODE: Requires the Health Insurance Terminal Liability Fund to revert to the Unassigned Revenue Fund administered by the Underground Storage Tank Fund Board upon payment of all terminal liability claims.

VETOED: The Governor vetoed the final sentence of this Subsection eliminating the requirement that the Fund revert to the Unassigned Revenue Fund.

15 22 Sec. 21. Section 455G.3, Code 2001, is amended by adding
15 23 the following new subsection:
15 24 NEW SUBSECTION. 6. There is appropriated from the
15 25 unassigned revenue fund administered by the Iowa comprehensive
15 26 underground storage tank fund board to the following funds for
15 27 the fiscal year beginning July 1, 2001, and ending June 30,
15 28 2002, the following amounts as specified:

CODE: Authorizes Underground Storage Tank funds to be used for salary adjustment and terminal health liability.

15 29 a. To the terminal liability health insurance fund created
15 30 in section 421.46:
15 31 \$ 9,000,000

Appropriates \$9,000,000 from the Unassigned Revenue Fund
administered by the Iowa Underground Storage Tank Fund Board to
the Terminal Liability Health Insurance Fund.

15 32 b. To the salary adjustment fund provided for in section 6
15 33 of this Act:
15 34 \$ 9,000,000
15 35 This subsection is repealed effective July 1, 2002.

Appropriates \$9,000,000 from the Unassigned Revenue Fund
administered by the Iowa Underground Storage Tank Fund Board to
the Salary Adjustment Fund.

16 1 HF 746

16 2 tj/es/25